

AT A REGULAR MEETING OF THE CULPEPER COUNTY BOARD OF SUPERVISORS HELD IN THE BOARD ROOM, LOCATED AT 302 N. MAIN STREET, ON TUESDAY, SEPTEMBER 4, 2007.

**Board Members Present:**     **John F. Coates, Chairman**  
   **Steven E. Nixon, Vice-Chairman**  
Larry W. Aylor  
William C. Chase, Jr.  
Sue D. Hansohn  
Brad C. Rosenberger  
Steven L. Walker

**Staff Present:**                     Frank T. Bossio, County Administrator  
J. David Maddox, County Attorney  
Valerie H. Lamb, Finance Director  
John C. Egertson, Planning Director  
Paul Howard, Director of Environmental Services  
Peggy S. Crane, Deputy Clerk

**CALL TO ORDER**

Mr. Coates, Chairman, called the meeting to order at 10:00 a.m.

**PLEDGE OF ALLEGIANCE TO THE FLAG**

Mr. Chase led the members of the Board and the audience in the pledge of Allegiance to the Flag.

Mr. Coates welcomed Mr. George Dasher, School Board member; Sheriff Lee Hart; and Mrs. Barbara Taylor, Congressman Eric Cantor's office, who were in the audience.

**APPROVAL OF AGENDA - ADDITIONS AND/OR DELETIONS**

Mr. Frank Bossio, County Administrator, requested that the agenda be amended as follows:

Under **COMMITTEE REPORTS**, add **CABLE COMMISSION REPORT**; and

Under **CLOSED SESSION**, add 7. Under Virginia Code § 2.2-3711(A)(7) and (A)(30), for discussion with legal counsel and staff regarding negotiations of a contract with a private company, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.

Mr. Chase moved, seconded by Mr. Nixon, to approve the agenda as amended.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

**APPROVAL OF MINUTES**

The minutes of the July 12, 2006 public meeting and August 7, 2007 regular meetings were presented to the Board for approval.

Mr. Chase moved, seconded by Mr. Nixon, to approve the minutes as presented.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

### **CONSENT AGENDA**

Mr. Bossio reviewed the following Consent Agenda items with the Board:

- a. The Board will consider approving a resolution to extend cable television franchises to December 5, 2007 held by Comcast of California/Maryland/Pennsylvania/Virginia/West Virginia, LLC, both of which are scheduled to expire on September 7, 2007 to allow for the completion of renewal discussions.
- b. The Board will consider accepting a grant offer from VDHR to provide an update to the County's historic sites inventory in the amount \$18,000. Local funds required of \$10,000 from Planning and Zoning operating budget.
- c. The Board will consider approving a budget amendment for the Library for additional state funding received in the amount of \$10,729. The additional funding will be used to purchase books.
- d. The Board will consider acceptance and appropriation of a grant for the Airport from the Commonwealth of Virginia, Department of Aviation, for Air Service Promotion in the amount of \$5,947. This funding will be used for activities to promote the services and economic benefits provided by the Airport.
- e. The Board will consider awarding a contract to Campbell and Paris Engineers for engineering and planning services, which has FAA approval.

Mr. Walker moved, seconded by Mr. Chase, to approve the Consent Agenda as presented.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

### **GENERAL COUNTY BUSINESS**

#### **UPDATE ON GASB 45 – OTHER POST EMPLOYMENT BENEFITS**

Mr. Bossio informed the Board that Ms. Kay Moran, and Mr. Joe Polley of Bolton Partners, had completed an evaluation related to Governmental Accounting Standards Board, Statement 45 - Other Post Employment Benefits, a new addition to required accounting practices and procedures.

Ms. Kay Moran, Senior Consultant, stated that GASB had developed new rules for accounting for post-retirement health and life benefits. She explained that in the past, most entities paid for retirees' health and life insurance on a "pay-as-you-go" basis, and the new GASB rules would ensure that post-employment benefits would be accounted for on an accrual basis. She said that Culpeper County would need to record the higher expense on an accrual basis for FY 2008 and the calculation for this liability was similar to that of a pension plan since benefits had been promised to retirees and those benefits would have to be accrued over the life of the working career of the retiree. The projected employer costs during retirement was based on healthcare inflation, and an inflation rate of 10.5 percent was reduced by 1 percent for each year to an alternate trend rate of 5.5 percent. She said that a 4 percent discount rate, or interest rate, was used if the County funded or 8 percent if funded. The County was now paying its costs as incurred instead of recording the liability. She stated that the County's actual claims costs and rates paid for insurance over the last three years were studied in order to develop what the claim costs would be in the future. She also stated that the County did not pay anything to retirees in the form of a subsidy, but there was a hidden subsidy being paid as determined by GASB since the retirees ceased to have eligibility when they reached the age of 65 and became eligible for Medicare and those who retired prior to age 65 created a hidden subsidy that had to be accounted for. She said that even though the County did not make an actual contribution in the form of cash, it did fund the hidden subsidy and would have a liability. She explained that the calculations created an unfunded accrued liability for past service and because the County would be starting a new accounting method, it would have to account for current employees who were accruing benefits because once they retired they would be eligible to continue their benefits until reaching the age of 65.

Ms. Moran pointed out that the key number in the evaluation was called the Annual Requirement Contribution (ARC), which could be funded or remain "pay-as-you-go" as long as the County accounted for it. She stated a 30-year amortization of that accrued liability was used plus the current year normal cost that included the hidden subsidy. The ARC would not remain static, but increase approximately 3 to 4 percent each year. She said the Board would need to decide whether to fund or not to fund, and a different interest rate would be used based on the option used.

Ms. Moran stated that the unfunded ARC, less cash expense, was the County's unfunded liability, and because the County was not paying cash now, it was the hidden subsidy and it would be a new budget item. She said the real issue was the County's bond ratings because the bond-rating agencies were looking at the new GASB rule and at each of the

entities' liabilities and, if a locality did not have sufficient funds to cover the liability or if a locality was not funding it, their bond rating may be reduced.

Ms. Moran reported that the Schools' number had been included as part of the presentation, but the County government would only have to account for that hidden subsidy because it did not make an actual cash contribution for the retirees. She said they selected an amortization method that showed the level percentage of pay for FY 2008 at \$46,000, the unfunded ARC using a four percent interest rate would be \$43,000, and the funded ARC would be \$38,000. She stated they used a level percentage of pay for the Schools, who do make cash contributions for their retirees if they participate in the ESP program. The ESP program is a program developed to pay retired teachers if they continue to be substitute teachers for a certain number of days in the school year, they would be allowed to continue under the Schools' benefit program for which they currently received \$255 a month as long as they meet the requirements of the program. They could remain in the program for seven years until they died or became eligible for Medicare. She reported that the first year projected cash cost for the Schools was \$120,000, the unfunded ARC was \$223,000, and the ARC was \$183,000.

Mrs. Hansohn asked whether the \$225 per month was just for the retired teachers who returned to substitute. Ms. Moran replied that there was also a hidden subsidy plus the \$255 paid if a retired teacher continued to substitute teach. She explained that the liability was calculated based on a snapshot of the combined active and inactive teachers and an assumption was made that so many active teachers would retire at some point and be eligible for this benefit.

Ms. Moran stated that the Board needed to decide whether to fund, continue to "pay as you go" or determine a multiple year plan for full funding. She said that the County could pay 50 percent for this year and then, in future years, make up that amount plus the ARC for that particular year. She pointed out that if the County decided to fund the liability, it was a requirement with GASB that the funds be set aside in an irrevocable trust to be established with trust documents specific to GASB 45 issues or the OPEB liabilities could be reduced by making plan design or retirement eligibility changes.

Mrs. Hansohn questioned whether the Board had the ability to make a decision regarding this issue for the School System. Mr. Bossio replied that it was a School Board decision on how they would fund.

Mr. Walker stated that to zero the program out would eliminate the need for a trust. Ms. Moran noted that the people already in the program would have to be accounted for unless existing retirees were cut back completely, but there would still be the liability for the people who

were currently inactive or retired unless the County decided to do away with it for people already promised the benefit and were receiving the benefit.

Mr. Nixon clarified that the new rule would require the County to account for the potential liability for retirees in the future. Ms. Moran added that it included current retirees as well as active employees who would retire. Mr. Nixon stated that the County could “pay as you go” for current retirees and have a line item in the budget that accounted for everyone currently in the system and 5 to 10 years in the future and eliminate the need for a trust. Ms. Moran agreed, but added that no matter what method was used, the County would have to follow accrual accounting, record the liability and show it on the financial statements. She said since the County’s numbers were so small, it would not make sense to establish a trust.

Mr. Coates expressed his concern regarding the policy the School Board was following not because it was wrong, but because he felt all employees should be treated the same. He also was concerned that the teachers received a check directly from VRS for \$45 to \$55 a month toward health insurance, and he felt that practice should be reviewed since the County was funding the teachers and they were being supplemented with State money.

Mr. Coates thanked Ms. Moran for her presentation.

No action was taken.

#### **PRESENTATION BY CAPITAL MARKETING GROUP**

Mr. Carl Sachs, Economic Development Director, recalled that the Board approved an extension of a contract with Capital Marketing Group at its August meeting, but had requested additional information from the contractor on marketing strategies. He said that Ms. Rosemary Baum, a founding member of Capital Marketing Group, and Mr. Barry Cress were present to discuss how they planned to promote the County’s economic development program.

Mr. Barry Cress informed the Board that Capital Marketing had 11 years of award winning team work in the advertising and marketing world, and he believed that the work his group had done with the County’s Economic Development Department had resulted in bringing Terremark and the Library of Congress to Culpeper. He said the business environment had changed and Culpeper County had the advantage of becoming more important to businesses wanting to relocate. He stated that Capital Marketing provided a range of services that were focused on business-to-business, government to business, business to government that were results-driven creative strategies. He stated they delivered their material on time and on budget by supplementing their staff by accessing various talented experts in individual fields as needed. He felt that the Group’s success had been built on its ability to put together the synergy of words, images, and medium across different media, such as radio, print, or internet to deliver

the client's message. He described the process used to determine a client's needs and how those needs were fulfilled with the tools available to reach a target audience. He provided various visual images that illustrated the process used to obtain successful results.

Mr. Cress stated that Capital Marketing Group had been working with Culpeper since 1996 to attract and retrain environmentally sound businesses and employers to provide quality jobs to the citizens and extend the nonresident tax base. He reviewed the logo developed, the media schedule, the community profile created, as well as ad print campaigns, direct mail pieces including the multimedia CD, radio ads, and a variety of other types of support. He also reviewed the list of awards that the Economic Development Department had obtained, one of which was in 2007 presented by the International Economic Development Council for two ads, as well as reviewing some of the ads done in the past and those currently running. He said they planned to build on the solid work already done and move toward creating a sum greater than the individual parts – a direct mail piece, ad, and a radio spot – that would create a larger, consistent message. He said the integrated approach enabled the County to play big on a smaller budget. He pointed out that the target audience was the one looking for site selection based on a quantitative list of items on a regional basis and on the quality of life. He said that Culpeper's quality of life placed it in a very strong position to attract businesses rather than the general population, developers and builders. He explained they planned to get the message out to national and regional markets using a mix of advertising, internet, radio, print, direct marketing, e-mail, and even regular mail to a very targeted list. He said they were creating a unique identity for Culpeper County, rather than its being a part of Northern Virginia, with the advantage of having a lot of elements and attributes being considered ideal for business locations because of its geography, technology and quality of life. He also said that a greater focus in the coming year would be placed on advertising on the internet, as well as developing a testimonial ad that would highlight the client and the person providing the testimony. He stated they would like to work with the County staff responsible for the County's web site to see what could be done to expand the opportunities on that site, using specialized search engines and key words that click through options and collect data would help target future campaigns.

Mr. Chase asked for specifics regarding what Capital Marketing had accomplished for Culpeper in the last few years. He noted that in a conversation with Terremark representatives, he learned they found Culpeper after looking up and down the Route 29 corridor. Mr. Cress replied that there was not a lot of empirical ad research currently being done on the responses and direct influence of a marketing campaign. He felt that moving toward a stronger emphasis

on the internet would provide some research data. Mr. Chase suggested that Mr. Cress contact Terremark and inquire specifically why the Culpeper location was selected.

Mrs. Hansohn suggested that any inquiry should be made by the Economic Development Department or the County Administrator's office.

Mr. Sachs pointed out that he had been in discussions with a site selection consultant for Terremark six months prior to their relocation and one of the reasons that particular site consultant wanted to look at Culpeper was because they saw some of these ads.

Mrs. Hansohn commented that Mr. Sachs maintained constant contact with Capital Marketing and could tell them what was working and what was not working. Mr. Sachs agreed that he was always seeking to improve both the methods and the media of delivery.

Mr. Coates thanked Mr. Cress for his presentation.

No action was taken.

Mr. Coates recessed the meeting at 11:10 a.m.

Mr. Coates called the meeting back to order at 11:22 a.m.

#### **UPDATE ON THE WESTERN OUTER LOOP ROAD**

Mr. John Egertson, Planning Director, reported that VDOT had scheduled a location hearing on October 11 for the Route 729-522 Connector project, which was the initial step in the process of constructing the road. He said he did not know the location and time of the meeting, but would provide that information as soon as it became available. He stated that the hearing was designed to discuss the general location, and no engineering had been done at this point. He displayed a map showing two alternatives for the alignment of the road: A blue line which was directly from the Comprehensive Plan; and a red line which had evolved over time and was the preferred alignment from the staff's perspective because it had been moved further from the lake and resulted in a closer connection to the future St. Jameson Road in accordance with the Comprehensive Plan. He pointed out that both of the proposed alignments would connect to Yowell Drive and provide a second access for the new elementary school under construction, but had not been shown in the Comprehensive Plan.

Mr. Egertson reported that he had previously provided summary sheets on the funding status of the road. He said that the County had accumulated a grand total of approximately \$4.882 million through multiple rounds of revenue sharing, that included the County and VDOT portions; and the Town had accumulated for its leg of the road approximately \$1.5 million, including the Town share with VDOT's match that resulted in a grand total of \$6.372 million for the planning, engineering, and construction of the road. He said the latest VDOT cost estimate showed preliminary engineering, right-of-way/utilities, and construction at approximately \$10.5

million, but funding was far enough along to proceed with the location hearing, the engineering, the right-of-way acquisition and to proceed through another year or two of revenue sharing. He said he had not received an estimate of when the road construction could begin, but felt it would be within the next year or two.

Mr. Coates inquired when the County had begun to set aside revenue for matching funds for the road. Mr. Egertson replied that some money was set aside in the beginning stages in the 2002-03 revenue sharing round, and began in full force in 2004-05, and continued through 2006-07. He added that County applied for revenue sharing last spring and received \$950,000 from VDOT.

Mr. Nixon noted that the map depicted the road entering Route 522 south of Yowell Drive. He stated he anticipated that St. Jameson Road would cross Route 522, tie into the western side, and proceed to Route 29. He pointed out that if the road were tied into St. Jameson Road now, it would avoid building extra roadway in the future. Mr. Egertson stated that the Comprehensive Plan indicated the road would ultimately come down St. Jameson Road and proceed to Route 29, but both the County's and Town's Comprehensive Plans had always established that the connector would line up with Blossom Tree Road in the Town. He explained that the reasoning behind that was the fear that the residents in the several thousand houses developed in that area of the Town would not drive back out of Town to use that road. He said it was important to have the connection in Town to attract that commuter traffic.

Mr. Nixon and Mr. Egertson discussed various pros and cons of the location of the road and whether traffic would actually backtrack approximately three-quarters of a mile to go around the Town. Mr. Egertson pointed out that the Town had fully funded that section of road and it would have to reconsider making that connection and abandoning that part of the project, and it would be a major reversal from the Town's purpose when applying for revenue sharing funds for the last three or four years.

Mrs. Hansohn asked whether Mr. Egertson could obtain costs for the alternative suggested by Mr. Nixon. Mr. Egertson agreed that he would ask VDOT for that information. He reminded the Board that major improvements would have to be done eventually to St. Jameson Road when that road was brought out to Route 522.

Mr. Chase asked where the wetlands were on the map. Mr. Egertson indicated an area where the wetlands were located and noted that the wetlands could not be avoided, but stated that the further north the road was, the better it would be. He pointed out that if the road were moved further north, it would eliminate the possibility of obtaining another access to the elementary school.



Mrs. Hansohn stated that having the road go by the school would create more congestion. Mr. Egertson agreed that tying into Yowell Drive would be a controversial issue.

Mr. Coates stated that Alternative A was the best route from the County's standpoint, but consideration must be given to the matching funds from the Town. He stated that it would ultimately be necessary to leave St. Jameson Road, cross Route 522, and have a direct route to Route 29. He felt that the County should consider its position in view of the matching funds involved from the Town.

Mr. Walker stated that from several conversations, he felt the Town might be interested in providing additional funds if possible. He said that legislation had changed over the years that now made it possible to put funds into portions of the road that were not actually in the Town environs. Mr. Egertson stated he would have to verify whether that would be possible. Mr. Walker said that might help the situation in terms of being able to get both done at the same time instead of deciding one way or the other if the Town could participate greater in the County portion of the road.

Mr. Egertson stated he planned to attend the location hearing and would probably need to consult the Board further on what should be recommended to VDOT.

Mr. Coates stated that the \$3 million estimated for right-of-way utilities seemed to be questionable. Mr. Egertson pointed out that the figures were rough estimates from VDOT and a primary component of that figure was the value of land to be condemned.

Mr. Walker stated that additional funding would be required before the actual construction of the road could begin, but the project could begin with the funds available. Mr. Egertson agreed that the road could move forward with the money available, but design and engineering could not begin until 70 percent of the estimated cost was received.

No action was taken.

#### **UPDATE ON PARKS AND RECREATION ACTIVITIES**

Mr. John Barrett, Parks and Recreation Director, presented an update on the Department's activities for FY 2007. He provided a list of members of the Park and Recreation Advisory Committee, as well as current County staff. He gave a detailed description of the classes, programs and special events offered, with statistics indicating that participation was strong and provided numerous pictures of the parks and facilities used for the various activities. He indicated that revenues had increased and approximately \$78,635 was received in FY 2007. He stated that program evaluations received indicated people who participated in the program were very satisfied, and the information obtained would be useful in developing and implementing the current year's marketing plan.

Mr. Barrett reported that the Senior Citizens Club was very active with 202 members and provided information regarding their activities and their volunteer service.

Mr. Barrett noted that the County's parks were classified in accordance with the National Recreation and Park Association and the Virginia Outdoor Plan and were based on acreage. He said the County had accumulated 457 acres and was maintaining 72 of those acres. He provided details regarding the layout and usage of the Galbreath-Marshall area, Spillman Park, the Duncan-Luttrell open space, Lenn Park, Laurel Valley Park, and the Culpeper Sports Complex.

Mr. Barrett acknowledged the various donations made, particularly from the Culpeper Recreation Foundation, and indicated the major contributors and partnerships. He discussed at length the volunteer and community service hours and stated that the group had volunteered 968.5 hours during FY 2007 for an estimated savings of \$5,666. He indicated that 209 other volunteers logged over 3,966 hours for an estimated savings of \$79,325.

Mr. Barrett stated some of the year's highlights were the creation of a Volunteer Plan through Six Sigma process planning, development and implementation of a senior softball program, installation of drainage in three ballfields at the Sports Complex, improvements made for ADA accessibility, installation of information kiosks at the Sports Complex and Laurel Valley Park, and creation of a new department logo in preparation for the marketing plan.

Mr. Barrett reported that some of the projects planned for FY 2008 were to construct a therapeutic garden at the Complex, complete a comprehensive bike/ped study with a VDOT, open the Laurel Valley Park mountain bike trail to the CAMBO members, construct two concession stands at the Complex, develop a marketing plan through the Six Sigma process improvement, and create proffer guidelines through the Advisory Committee to be implemented under the Comprehensive Plan.

Mr. Chase asked for a further description of the kiosk to be installed. Mr. Barrett explained that the kiosk was actually a two-sided board with field information and schedules on one side and marketing opportunities on the reverse side.

Mr. Chase stated he was interested in when the bicycle trail would be finished, but his major concern was insurance for the bike trail. Mr. Barrett said that CAMPO would provide the insurance through its National Organization.

Mr. Walker asked for information on the walking trail that would encircle the Community Complex. Mr. Barrett replied that the plan was being discussed with the cross-country coaches at the high school for a combined cross-country path and a community trail system.

Mr. Chase cautioned that care be given to avoid interference by the cross-country runners with the users of the walking trail since most of the users would be senior citizens. Mr. Barrett explained that the trail would be a 10-foot cleared strip, with the middle black-topped for walking and ADA accessibility, and the edges would have crushed stone for cross-country running.

Mr. Coates thanked Mr. Barrett for his presentation.

No action was taken.

### **FINANCIAL UPDATES**

Mr. Bossio reported that the financial picture for the coming budget year would reflect what was taking place within the State and nationwide. He recalled that the County had experienced unprecedented growth over the last several years, with a population increase of approximately 33 percent since 2000, and with that growth came increased demands on the government to provide services to the citizens. He said the largest demand was in education and the FY 2008 School System budget was approximately \$80 million, representing 56 percent of the total revenue for the County. He pointed out that the County's largest revenue stream was the real estate tax levied on homes within the County, but with the increased real estate taxes from the population increase as a result of new homes built, came an increase in the demand for services from the School System and other services across the entire County spectrum. He noted that the County had recently completed a reassessment process indicating property values had increased over the past four years and, in addition, the Board had recently approved changing the process from a four-year to a two-year reassessment. He stated that the building of homes and generation of real estate taxes had begun to slow with the cooling of the economy and the housing market at the same time the County was in the process of opening two new schools in the fall of 2008: Eastern View High School and Yowell Elementary School. He pointed out that one of the things that further compounded the problem was the ability of the State to assist with educational costs. He cited the increase in population for the biennium between FY 2005-FY 2006 showed a composite index of .3919 but increased between FY 2007-FY 2008 to about .4062, which meant that the locality had a greater ability to pay a higher percentage of the costs for education. He said that as the composite index had risen, the Commonwealth of Virginia had also encountered financial difficulties and State funding had decreased. Between FY 2006-FY 2007, State funding increased over the prior year by about \$4.5 million or 15 percent and the estimated increase this year from FY 2007-FY 2008 would be about \$2.85 million or 8 percent. He cautioned that the amount of State money was based on the Superintendent of School's estimates of the average daily membership (ADM),

and the County suffered an approximate \$500,000 loss of revenue last year because the ADM did not meet the projected level. He said he did not know what this year's ADM would be until mid-year when the figures stabilized, and the State used March figures for the ADM to determine whether they would reimburse the locality or not.

Mr. Bossio reviewed the history of the number of building permits issued and the revenue generated for the period FY 2004-08 which indicated that new permits issued in 2005 were at an all-time high and began declining in 2006 to a projected 280 new starts in 2008. He also reviewed the average selling price of an existing home that increased continuously over the years to 2006 with a slight drop from \$334,205 to \$328,690. He noted that from 2004 to 2008, percentage of real estate taxes to the total budgeted revenue for the General Fund bounced back and forth with an average of 47.5 percent, with an approximate 55 percent increase in revenue in those four years.

Mr. Bossio reported that the School budget increased from FY 2004-08 was 47.81 percent and the local funding increase for that same period was 54.42 percent. He said the State was placing the responsibility for funding the schools more and more upon the localities. He noted that the State was reporting a \$1.8 to \$1.9 billion shortfall, and this amount could increase if the State did not collect revenues as predicted. He said in addition, the School System had announced new educational programs, and no one had discussed where funding would come for early childhood education.

Mr. Bossio stated that along with housing permits declining and residential property values leveling out or decreasing, there would be additional funding requests from the School System for opening the two new schools in FY 2009. He said that some potential courses of action to be taken in next year's budget would be a cut in spending in other areas and across the board budget cuts that would resemble reality resulting in a cutting this year's \$120 million budget to a \$110 million budget next year. He indicated the General Fund was in good condition due to management decisions made by the Board, but bonding and borrowing would be some of the issues to be considered along with a possible tax increase.

Mr. Bossio concluded by stating that the County could see two or three years of continuing economic downturn and the Board would be called upon to make some difficult decisions regarding possible hiring freezes, curtailing infrastructure development, and other financial measures designed to meet the demands of the dwindling revenue.

Mrs. Hansohn noted that the fact that housing starts were down was not necessarily a bad thing because that decline would affect projections from the School System regarding a rising incline in the numbers of students. She said that could result in savings if fewer teachers

were needed or less space was required and it would be important that the Board work closely with the School Board to determine whether any new programs could be delayed.

Mr. Bossio stated he was not trying to paint a picture of doom, but he wanted to bring a picture of reality so that no one would be surprised by what might occur.

Mr. Chase stated he would like to obtain more information regarding the projection of the number of students and where those savings would occur. Mrs. Hansohn suggested that topic could be discussed in the meeting that the School Board had invited the Board to attend to discuss common issues. She said the Board could obtain specific information at that time regarding new programs and any that could be delayed until the County was better suited financially to fund them.

Mr. Walker asked how the ADM figures were created and whether there were actions the County could take to make the projections more accurate. Mr. Bossio replied that the issue had been discussed at the School Oversight Committee meetings, and the projection was derived from a complicated process based on anticipated growth, housing starts, and other factors, and that process might have to be reviewed.

No action was taken.

#### **SUPERINTENDENT OF SCHOOLS MONTHLY UPDATES**

Mr. Coates acknowledged the presence of Mr. Robert Beard, Mrs. Claudia Vento, and Mr. George Dasher, School Board members, and announced that Mr. Hunter Spencer would provide an update on school construction.

Mr. Spencer stated that Dr. Cox asked him to express his apologies for being absent due to a previous commitment with School principals and he had reserved the first Tuesday of the month so he could be present in the future.

Mr. Spencer reported that the Yowell Elementary School project was progressing very well, the excavation has been completed, and approximately 70 to 75 percent of the footings and masonry had begun along with the underground utilities and underground drainage. He said the contractor had indicated the school would be completed by August 1, 2008.

Mr. Spencer also reported that the interior portions of Eastern View High School were receiving the final painting and the last area to be enclosed was the fine arts area near the auditorium. He said construction was ahead of schedule, and the contractor indicated that the punch list items would be done in the January or February time frame, and the building would be completed by April 13 or 14, 2008.

Mr. Spencer indicated he was putting together furnishings costs and bidding prices on the costs of furnishings for both schools, and they were trying to analyze the best way to spend

the available money by identifying areas where costs could be postponed in order to stretch the remaining dollars. He said that staff recommendations would be submitted to Dr. Cox and the School Board by mid-October in order to have orders delivered on time. He noted if the high school were delivered early, it would allow plenty of time to ready in time for the opening, but he was worried about the tight schedule for setting up the elementary school.

Mr. Chase stated that he had submitted some questions in writing over ten days ago, but had not received a reply. Mr. Spencer apologized and stated he had not received a copy of those questions.

Mrs. Hansohn stated that the School Board's recent work session was very informative because every aspect of the construction of both buildings was reviewed, and she felt the School Board was very close to closing the gap on the \$500,000 shortage. Mr. Spencer agreed that the \$500,000 to \$550,000 gap was being closed, but there were more deductions to be made.

Mr. Walker stated he attended the same work session, and there was some discussion regarding a retaining wall. Mr. Spencer acknowledged that some initial tests on a retaining wall at the elementary school had come up short on strength, but it was being addressed by having additional tests on the footings and changing the mix of concrete and the curve of the wall. He said that the results of the 28-day tests should be received shortly.

Mr. Chase stated he would like to discuss the individual change orders he recently received. He said that Change Order #1 offered a drainage change around traffic showing a deficit of \$18,718, and he felt it should be shown as a credit. Mr. Spencer stated he offered not to accept the credit since it would be deducted from the general allowance which meant it was a positive amount, rather than a negative. He said the "R" in parentheses indicated an adjustment had been made. In other words, it was an \$18,000 credit they offered as a solution, which he did not feel was the right way to do it.

Mr. Chase questioned Change Order #3, for additional masonry, additional frames, and work on the concession buildings required by the Building Official's office. Mr. Spencer explained that any items that were oversights would be addressed by the clause on limiting the omissions from the contract to no more than 1 percent of the contract amount, or a percentage of SHW's fee would not be paid to them. He explained that there were some items that were added value that were not included in the original bid and were not bid on. He said he was tracking them because they would count against the architect's 1 percent total whether omissions or added value.

Mr. Chase stated that Change Order #4 was added for a VDOT maintenance requirement for additional stone to maintain the road pending approval, which the Schools would pay for due to an indecision. Mr. Spencer explained that the \$43,000 was a request which had been made by the School Board in the past to have VDOT maintain and remove snow from the major entrances of each of the schools. He said it was a true delay and they would accept the blame.

Mr. Chase assumed that Change Order #5 was a credit for the brick work which showed a savings of \$28,000, but questioned the reference to document conflicts. Mr. Spencer replied that he did not have the file on that item, but he would obtain an answer for him. He noted that if it had been listed as an oversight, it would go against the architect's commitment, but if it was something that was not an added value, it was item that would need to be settled.

Mr. Chase stated that Change Order #7 indicated \$50,000 due to oversight in documents for an underground conduit. Mr. Spencer agreed that was added value, it was an oversight, and it would go against the architect's commitment.

Mr. Chase pointed out that Change Order #8 showed an oversight in documents for \$11,500. He asked whether the oversights were a result of the RFP not including the needs of the architect. Mr. Spencer replied that the Schools had employed a special inspection engineer to meet the Building Code requirements for F&R, and he would be on site to deal with Building Code requirements to meet certain structural aspects. He stated that he and the architect were on site almost every day.

Mr. Bossio asked for clarification regarding the 1 percent in the architect's contract. He said there were no penalties in the contract, but he recalled there were a series of three bonuses. Mr. Spencer replied there was an earned portion of the fee, but the Schools' attorney did not want them called bonuses. He said one was \$100,000 if the construction bid came in within 10 percent of the estimate; the second was if the building was completed on time; and the third was if there were no more than 1 percent of the construction contract value in omissions from the design team, whether added value or not.

Mrs. Hansohn asked Mr. Dasher to provide information on the proposed work session. Mr. Dasher stated that the School Board passed a resolution at its last session to invite the Board of Supervisors to participate in a joint meeting with them to address some of the questions being asked after the fact, such as the ADM question, and to begin better communications between the two groups. He said a series of dates had been suggested for the Board's consideration. He said he would also encourage the Board to hold Interaction Committee meetings because he felt that would be another way to enhance communications

between the School Board and the Board of Supervisors. He said that the Committee had not met this year, and he would like to open up better communications between the two Boards.

Mrs. Hansohn stated that the joint meeting would be better than the Interaction Committee meetings because all members of both bodies would be involved. She suggested that the joint meeting be held at the existing high school so that a walk-about could be done after the meeting to see what was planned for future renovations. She felt it would be more beneficial to meet as a group on a regular basis in lieu of Interaction Committee meetings.

Mr. Coates stated he was looking forward to the joint meeting and he agreed they would be beneficial for both entities.

No action was taken.

### **NEW BUSINESS**

### **COMMITTEE REPORTS**

#### **BUILDINGS and GROUNDS COMMITTEE REPORT - AUGUST 14, 2007**

Mr. Aylor reported that the Buildings and Grounds Committee met and was forwarding the following recommendations to the Board:

1. Recommending approval to share in the renovations costs of the Hospital and Health Department's parking lots in the amount of \$170,298.00; and
2. Recommending approval of the proposed Therapeutic Garden at the Sports Complex.

Mr. Aylor said he would like to comment prior to presenting the Committee report on a recent program he viewed on a cable channel regarding construction and new schools. He said there was a report regarding a school being built in North Carolina along the same lines as the Eastern View High School, and they were commending steel and masonry construction as the right way to build schools. He said he was pleased to have been a part of the Oversight Committee and to know its suggestions had been followed. He encouraged every citizen to visit the school when they had an opportunity. He said he would to see the Oversight Committee continue, as well as the Interaction Committee, in order for the School Board and Board of Supervisors to work more closely together.

Mr. Aylor moved to approve the renovation costs of the Hospital and Health Department's parking lots in the amount of \$170,298. He said that Mr. Paul Howard, Environmental Services Director, had some details to share.

Mr. Howard displayed a map indicating the property donated by the Hospital in 1972 for a mental health care building with a small parcel in front for a parking lot and a second parcel donated by the Hospital in 1982 for the current Health Department building and another section



for parking. He noted that the County owned the two buildings and a parking area, and the Hospital would like to reconfigure the two parking areas and the Hospital's parking lot to make one reconfigured parking lot to better serve the Hospital as well as the County-owned buildings. He said the County currently had 64 spaces in the two lots and the new configuration would net the County an additional 20 spaces. He stated that the proposal was for the County and the Hospital to share the cost of the parking improvements on a 50-50 basis, and the improvements would include the necessary stormwater management.

Mr. Bossio stated it was the opportune time to accomplish the improvements since the Hospital would share in the costs. He agreed it was another burden on the budget, but it was something that would need to be done in the future and the costs would increase over time.

Mr. Chase noted that the County's share would be \$172,000. Mr. Howard stated that there was currently \$40,000 budgeted for this purpose and the balance would come from the General Fund.

Mr. Chase questioned whether the improvements needed to be made this year in view of the coming budget crunch.

Mr. Lee Kirk, Hospital Administrator, explained that the expanded parking area was needed for the growth at the Hospital, and having a joint project allowed both to better utilize the land and create a better parking situation.

Mr. Chase asked whether the improvements would create additional parking lots. Mr. Kirk replied that approximately 90 additional spaces would be achieved due to reconfiguring the parking area.

Mr. Aylor noted that egress and ingress of the parking lot was discussed at the Committee level, as well as the condition of the parking area. He said he shared the concern regarding spending money at this point, but it was a good investment since the County would be partnering with the Hospital in sharing costs.

Mr. Coates stated that the need for repairs to the parking area had been discussed previously, as well as the drainage work that would be required, and the Board had agreed to participate with the Hospital in making the repairs.

Mr. Chase seconded Mr. Aylor's motion.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

Mr. Kirk thanked the Board for making a positive move toward the parking lot renovations. He invited everyone who had not visited the new Powell Wellness Center to let him know and he would be glad to arrange a tour for them.

Mr. Maddox indicated that if joint easements were involved in the parking lot renovations, a public hearing would be required, but he did not think that would slow the project.

Mr. Aylor stated that the second item from Buildings and Grounds concerned a therapeutic garden for the Sports Complex and asked Mr. Barrett to brief the Board.

Mr. Barrett stated that a therapeutic garden had been proposed to the Buildings and Grounds Committee consisting of five raised beds for gardens, and each one would be related to a sense lost, such as hearing, sight, etc., and the garden would contain a waterfall, chimes, and vegetation so that individuals who were impaired could enjoy the Community Complex. He said he had been approached by Lowe's who offered approximately \$1,200 to \$1,500 through its Community Hero Project. He also said that several individuals who were wheelchair bound provided input regarding various problems they encountered. He anticipated that the project could be completed by the end of September or early October and be open to the special population so they could enjoy the park. He added that he had received offers from Chemung Contracting to provide blacktop and stone for the walkway and from A. B. Kearns to truck supplies and equipment to the site, He said the entire project would be done by volunteers at no cost to the County.

Mr. Coates stated that it was commendable that so many in the community were volunteering at the Community Complex and achieving so much without cost to the County.

Mr. Aylor moved, seconded by Mr. Nixon, to approve the proposed Therapeutic Garden at the Sports Complex.

Mr. Walker stated he attended the Committee meeting, and he was very interested in the approach Lowe's was taking. He said he would be like to hear more about what Lowe's was doing in this regard.

Mr. Reed Zobel, Lowe's Human Resources Manager, explained that Lowe's had an annual program called the Heroes Program that was really about getting involved in the community and paying the community back for allowing Lowe's to be a member of that community. He said the money involved was nominal because the money was not really what counted, but it was the time and effort expended into bettering where members of the community lived. He said that when Lowe's put together a project with Parks and Recreation, it benefitted the entire community and provided a place for many people to visit, particularly for

those with special needs. He added that while Lowe's was willing to solicit vendors and contribute a nominal amount, it was really the efforts of the employees that counted.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

See Attachment #1 for details of meeting.

Mr. Coates recessed the meeting for lunch at 12:55 p.m.

Mr. Coates called the meeting back to order at 2:50 p.m.

#### **RULES COMMITTEE REPORT - AUGUST 14, 2007**

Mr. Walker reported that the Rules Committee met and was forwarding the following recommendations to the full Board:

1. Recommending approval to amend the Voluntary Contribution Form to include the following categories: Animal Shelter–Spay/Neuter Program, Library, Culpeper Sports Complex, DSS Children's Programs, Parks and Recreation–Multi-use Trails, Schools Capital Improvements, and Community Pool; and
2. Recommending approval of the establishment of a Transportation Impact Fee Advisory Committee.

Mr. Walker moved to approve amending the Voluntary Contribution Form to include the following categories: Animal Shelter–Spay/Neuter Program, Library, Culpeper Sports Complex, DSS Children's Programs, Parks and Recreation–Multi-use Trails, Schools Capital Improvements, and Community Pool. Seconded by Mr. Nixon.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

Mr. Walker moved to approve the establishment of a Transportation Impact Fee Advisory Committee.

Mr. Walker stated that Mr. John Cooley of the Planning Department would explain the process.

Mr. Cooley explained that in 2007, the State legislature granted the right to localities to impose transportation impact fees via *Virginia Code* §15.2-2317 and also Article 15.2-2319, but prior to the adoption of the ordinance, a locality must establish an Impact Fee Advisory Committee. The Committee would be composed of not less than five and no more than 10 members appointed by the governing body of the locality and at least 40 percent of the

membership would be representatives from the development, building or real estate industry.

Mr. Nixon seconded the motion.

Mr. Aylor asked whether there were any requirements for the members of the Committee other than 40 percent had to be from the construction industry. Mr. Cooley replied that there were no requirements, but if the Board approved the formation of a committee, he recommended that the issue be returned to the Rules Committee so that details on the membership and committee duties could be developed.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

Mr. Walker reported that Mr. John Foote made a lengthy presentation to the Rules Committee regarding a possible Community Development Authority, and a detailed record of that discussion was contained in the minutes.

See Attachment #2 for details of meeting.

#### **PUBLIC WORKS COMMITTEE REPORT - AUGUST 14, 2007**

Mrs. Hanson reported that the Public Works Committee met and there were no action items to bring forward.

See Attachment #3 for details of meeting.

#### **TOWN/COUNTY INTERACTION COMMITTEE REPORT – AUGUST 22, 2007**

Mr. Chase reported that the Town/County Interaction Committee met and had a lengthy discussion regarding illegal immigration. He said there was also a discussion on Clevenger's Corner as a result of a recent newspaper article regarding wasting money, but the Committee was updated on the fact that no County money was involved.

See Attachment #4 for details of meeting.

#### **ECONOMIC DEVELOPMENT REPORT**

Mr. Carl Sachs, Director of Economic Development, reported that:

1. The commercial development update indicated very little activity, with the exception of building plans for some small retail operations in the Target and Kohl's shopping centers.
2. A copy of the demographic study prepared by The Pathfinders had been provided to Board members.

Mr. Sachs stated he had the following action item for the Board's consideration:

1. Authorization to execute the Governor's Opportunity Fund (GOF) Performance Agreement with Terremark Worldwide, Inc.

Mr. Sachs explained that a GOF grant of \$1 million was part of the incentive package that was developed to attract Terremark to locate in Culpeper, and in order to access the grant, the County had to enter into a performance agreement with Terremark that specified what Terremark would do in terms of spending amounts, job creation, and salary ranges. He pointed out there were two issues that the Board should be aware of:

(a) Terremark had originally pledged to complete the entire data center campus in a five to seven year time frame, but the GOF only recognizes a 36-month time frame from the beginning of the project to the end of the project. Consequently to be able to fit this project into the GOF requirements, it would be split it into two phases so Terremark would be eligible to draw down \$500,000 for phase one, which would be one-half of the project, two data centers and the office building to be completed within 36 months; and then in phase two, Terremark would draw down another \$500,000 to complete the rest of the project for three additional data centers.

(b) Terremark has had to reevaluate its salary structure because the ratio of federal customers to non-federal customers had changed and was leaning more towards non-federal customers than originally anticipated. Since the federal customers generally require security clearance and command higher wages as a result of that security clearance, Terremark has modified its overall average salary from \$90,000 to \$60,000, but the number of people Terremark would employ increased from 250 to an estimated 300 people.

Mr. Sachs asked for the Board's authorization to proceed with the execution of the agreement with Terremark.

Mr. Walker moved, seconded by Mrs. Hansohn, to authorize the execution of the performance agreement with Terremark.

Mr. Walker asked whether the money would come directly to the County or to Terremark. Mr. Sachs replied that the County would be the recipient of the money from the State in accordance with the agreement. He noted that with a GOF grant, there was a 50-50 matching requirement and the County would need to provide \$1 million. He explained that the money would come from the incentive package that Terremark was eligible to collect because they were located in the County's Technology Zone.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

**AIRPORT ADVISORY COMMITTEE REPORT - AUGUST 8, 2007**

Mr. Bossio reported that there were no action items coming from the Airport Advisory Committee.

### **CABLE COMMISSION REPORT**

Mr. Nixon reported that the Cable Commission had appointed a subcommittee of three members to interview prospective candidates for Station Manager, due to the death of Mr. Stan Karas. He said the full Commission would interview the subcommittee's recommended candidates prior to making a decision.

Mr. Nixon stated the only action item from the Cable Commission was a recommendation to ask the Board of Supervisors and the Town Council to authorize the continuation of historic programming and to set aside \$10,000 of the franchise fees collected from both the Town and the County for a total of \$20,000. He said the Commission felt this programming was worthwhile in order to preserve the history of Culpeper County.

Mr. Nixon moved, seconded by Mr. Walker, to approve that the Board of Supervisors set aside \$10,000 from the franchise fees collected for the purchase of historic programming.

Mrs. Hansohn stated this was an excellent opportunity to record Culpeper's history and would be an appropriate use of the franchise fees.

Mr. Coates called for voice vote.

Ayes - Aylor, Chase, Coates, Hansohn, Nixon, Rosenberger, Walker

Motion carried 7 to 0.

### **ADMINISTRATOR'S REPORT**

Mr. Bossio announced that:

1. A public meeting sponsored by the Journey Through Hallowed Ground Partnership had been scheduled for September 17, 2007 from 6:30 – 8:30 p.m., in the Board of Supervisors' Meeting Room, to receive public input for the potential designation of Route 15 as a National Scenic Byway; and
2. The grand opening for CAMBO would be held on September 18, 2007 at 5:30 p.m., at the Laurel Valley Park.
3. The proposed dates for a work session with the School Board were September 17, October 1, October 15, or October 29.

Mr. Bossio stated from a staff perspective, it would be better to hold the work session as far in the future as possible because of the amount of information that would be obtained regarding the General Fund and from the Auditors' report. He noted that Mr. Dasher indicated the dates were flexible.

Mrs. Hansohn asked when the School Board would be presenting its budget to Dr. Cox. Mr. Bossio replied that he thought it would be in October, but he was not sure because the formal data from the School Board was usually submitted in February.

After discussion among the Board members, the general consensus was that October 29 would be the most acceptable date. Mrs. Hansohn has suggested earlier that the meeting be held at the current High School.

Mr. Bossio stated in a discussion with Mr. Dasher, it was suggested that an informal committee be formed consisting of two Board members and two School Board members to develop an agenda and to select someone to chair the meeting so that it would stay on target.

Mrs. Hansohn suggested that if any Board member had items for discussion, they should be submitted to the County Administrator.

### **CLOSED SESSION**

Mr. Nixon moved to enter into closed session, as permitted under the following *Virginia Code* Sections, and for the following reasons:

1. Under *Virginia Code* § 2.2-3711(A)(1), to consider: (A) An appointment to the Agricultural and Forestal Districts Advisory Committee; (B) Readvertising for an appointment to the Agricultural Resource Advisory Committee; (C) Discussion regarding an appointment to the Department of Human Services Board; and (D) A statutory claim for reimbursement by a County official.
2. Under *Virginia Code* § 2.2-3711(A)(7) and (A)(30), for discussion with legal counsel and staff regarding negotiations of a contract with another public entity located outside of the County, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.
3. Under *Virginia Code* § 2.2-3711(A)(7) and (A)(30), for discussion with legal counsel and staff regarding mediation with and claim status for a specific contractor, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.
4. Under *Virginia Code* § 2.2-3711(A)(7) and (A)(30) to discuss negotiating terms of a water and sewer contract with a specific developer, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.
5. Under *Virginia Code* § 2.2-3711(A)(7) and (A)(30) to discuss negotiating terms of a waterline design contract with a specific contractor, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.

6. Under *Virginia Code* § 2.2-3711(A)(7) and (A)(30) to discuss potential contract amendment with an existing private contractor of the County, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.

7. Under *Virginia Code* § 2.2-3711(A)(7) and (A)(30), for discussion with legal counsel and staff regarding negotiations of a contract with a private company, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the County.

Seconded by Mrs. Hansohn.

Mr. Coates called for voice vote.

Ayes - Aylor, Coates, Hansohn, Nixon, Rosenberger, Walker

Nays – Chase

Motion carried 6 to 1.

The Board entered into closed session at 3:15 p.m.

The Board returned to open session at 5:00 p.m.

Mr. Coates polled the members of the Board regarding the closed session held. He asked the individual Board members to certify that to the best of their knowledge, did they certify that (1) only public business matters lawfully exempted from the open meeting requirements under *Virginia Freedom of Information Act*, and (2) only such public business matters as were identified in the closed session motion by which the closed meeting was convened, were heard, discussed or considered by the Board in the closed session.

Mr. Coates asked that the record show Mr. Chase was not present for the closed session.

Ayes – Aylor, Walker, Coates, Nixon, Rosenberger, Hansohn

**RE: APPOINTMENT TO AGRICULTURAL AND FORESTAL DISTRICTS ADVISORY COMMITTEE**

Mr. Nixon moved, seconded by Mr. Aylor, to appoint Barry L. Tingler to the Agricultural and Forestal District Advisory Committee to fill one vacancy for a four-year term.

Mr. Coates called for voice vote

Ayes – Aylor, Coates, Hansohn, Nixon, Rosenberger, Walker

Absent – Chase

Motion carried 6 to 0.

**RE: READVERTISE A VACANCY ON THE AGRICULTURAL RESOURCE ADVISORY COMMITTEE**

Mr. Nixon moved, seconded by Mrs. Hansohn, to readvertise the vacancy on the Agricultural Resource Advisory Committee for a three-year term.



Mr. Coates called for voice vote

Ayes – Aylor, Coates, Hansohn, Nixon, Rosenberger, Walker

Absent – Chase

Motion carried 6 to 0.

**RE: TERREMARK WATER AND SEWER LINE**

Mr. Nixon moved, seconded by Mr. Walker, to approve a contract between Terremark/Diamond Commercial, LLC and Culpeper County for a water and sewer line.

Mr. Coates called for voice vote

Ayes – Aylor, Coates, Hansohn, Nixon, Rosenberger, Walker

Absent – Chase

Motion carried 6 to 0.

**RE: SETTLEMENT WITH ULLIMAN SCHUTTE**

Mr. Nixon moved, seconded by Mrs. Hansohn, to authorize McQuire Woods to offer settlement to Ulliman Schutte, relative to contract change order, up to the amount authorized by the Board.

Mr. Coates called for voice vote

Ayes – Aylor, Coates, Hansohn, Nixon, , Walker

Nay – Rosenberger

Absent – Chase

Motion carried 5 to 1.

**RE: CONTRACT FOR COFFEEWOOD WATERLINE**

Mr. Nixon moved, seconded by Mr. Aylor, to approve a contract for design services for Coffeewood waterline extension with Hobbs Upchurch and Associates in the amount of \$250,245.

Mr. Coates called for voice vote

Ayes – Aylor, Coates, Hansohn, Nixon, Rosenberger, Walker

Absent – Chase

Motion carried 6 to 0.

**ADJOURNMENT**

Mrs. Hansohn moved to adjourn at 5:05 p.m.

Peggy S. Crane, CMC  
Deputy Clerk

John F. Coates, Chairman

ATTEST:

Frank T. Bossio  
Clerk to the Board

Approved: October 2, 2007